



GOVERNOR'S OFFICE OF
BUDGET AND PROGRAM PLANNING

Fiscal Note 2017 Biennium

Bill #	HB0167	Title:	Generally revise off-highway vehicle laws
Primary Sponsor:	Welborn, Jeffrey W	Status:	As Introduced

- | | | |
|---|--|--|
| <input type="checkbox"/> Significant Local Gov Impact | <input checked="" type="checkbox"/> Needs to be included in HB 2 | <input type="checkbox"/> Technical Concerns |
| <input type="checkbox"/> Included in the Executive Budget | <input type="checkbox"/> Significant Long-Term Impacts | <input type="checkbox"/> Dedicated Revenue Form Attached |

FISCAL SUMMARY

	<u>FY 2016 Difference</u>	<u>FY 2017 Difference</u>	<u>FY 2018 Difference</u>	<u>FY 2019 Difference</u>
Expenditures:				
General Fund	\$0	\$0	\$0	\$0
State Special Revenue	\$77,425	\$154,850	\$154,850	\$154,850
Revenue:				
General Fund	(\$5,575)	(\$5,575)	(\$5,575)	(\$5,575)
State Special Revenue	\$77,425	\$154,850	\$154,850	\$154,850
Net Impact-General Fund Balance:	<u>(\$5,575)</u>	<u>(\$5,575)</u>	<u>(\$5,575)</u>	<u>(\$5,575)</u>

Description of fiscal impact: HB 167 increases the cost of a non-resident off-highway vehicle temporary-use sticker from \$5 to \$25 and changes the distribution of revenue from the general fund to a state special revenue fund at the Department of Fish, Wildlife and Parks.

FISCAL ANALYSIS

Assumptions:

- Under 23-2-814, MCA, there is a \$5 fee for a nonresident off-highway vehicle (OHV) temporary-use sticker on OHVs used in Montana that are not registered in another state.
- In 2014 1,115 temporary-use stickers were purchased generating \$5,575 in revenue.
- Montana currently has reciprocity with 41 states that require OHV registration, and does not require that visitors from these states purchase temporary use stickers.
- Currently, nine states do not require registration of OHVs and residents from these states are currently required to purchase temporary use stickers.
- HB 167 removes reciprocity with other states and requires the purchase of a temporary-use sticker for all OHVs owned by nonresidents that are operated in Montana.
- Under HB 167 the fee increases to \$25.
- The total number of nonresidents operating OHVs into Montana is not known.

8. The level of compliance by nonresident OHV operators in Montana is not known.
9. Education of the public will occur during the first year of implementation.
10. During the first year of implementation half the estimated stickers will be sold.
11. Based on current sales, the estimated number of stickers sold on a proportionate basis is 6,194.
12. FY 2016 revenue generated from the \$25 fee is $3,097 \times \$25 = \$77,425$.
13. For future years revenue is estimated at $6,194 \times \$25 = \$154,850$.
14. Under current law, the funds are deposited in the state general fund.
15. HB 167 changes the distribution of funds to the state special revenue fund of the Department of Fish, Wildlife and Parks.
16. The change results in a decrease in revenue to the general fund and an increase to state special revenue.
17. Of the \$25 fee, \$11 is designated for expanded maintenance of trails.
18. Of the balance of the \$25 fee, \$14 is designated to fund enforcement of OHV laws (\$2.50), OHV education (\$10), a commission to the license agent (\$1), and a search and rescue surcharge (\$.50).

	<u>FY 2016</u> <u>Difference</u>	<u>FY 2017</u> <u>Difference</u>	<u>FY 2018</u> <u>Difference</u>	<u>FY 2019</u> <u>Difference</u>
<u>Fiscal Impact:</u>				
<u>Expenditures:</u>				
Operating Expenses (HB2)	\$43,358	\$86,716	\$86,716	\$86,716
Grants (HB5)	\$34,067	\$68,134	\$68,134	\$68,134
TOTAL Expenditures	\$77,425	\$154,850	\$154,850	\$154,850
<u>Funding of Expenditures:</u>				
General Fund (01)	\$0	\$0	\$0	\$0
State Special Revenue (02)	\$77,425	\$154,850	\$154,850	\$154,850
TOTAL Funding of Exp.	\$77,425	\$154,850	\$154,850	\$154,850
<u>Revenues:</u>				
General Fund (01)	(\$5,575)	(\$5,575)	(\$5,575)	(\$5,575)
State Special Revenue (02)	\$77,425	\$154,850	\$154,850	\$154,850
TOTAL Revenues	\$71,850	\$149,275	\$149,275	\$149,275
<u>Net Impact to Fund Balance (Revenue minus Funding of Expenditures):</u>				
General Fund (01)	(\$5,575)	(\$5,575)	(\$5,575)	(\$5,575)
State Special Revenue (02)	\$0	\$0	\$0	\$0
Federal Special Revenue (03)	\$0	\$0	\$0	\$0
Other	\$0	\$0	\$0	\$0

Sponsor's Initials_____
Date_____
Budget Director's Initials_____
Date